19~~5~~44-51 **File No.** ESA 1351

B CLASS. P.W **DEPARTMENT**
K. **BRANCH**

Subject:— Electricity Supply Act 1948
Methods of Depreciation in the
prescribed period of assets.

B[K] 1951.

KBr.

File No. ESA 1351

Ftd. Secst. Slip. 21 A.

Std. Sectt. 78A e.

G.R., G D., No. 2408, dated 22-5-22.]

Correspondence

DOCKET SHEET (B)

Subject :—

File No. ESA/1351

P. W. D. DEPT.

K BRANCH.

References :— Separated from the main file B(M)

Date.	To whom sent.	Notes and instructions.

A

TATA HYDRO- ELECTRIC AGENCIES LTD.

Agents for) THE TATA HYDRO- ELECTRIC POWER SUPPLY COMPANY. LIMITED.
) THE ANDHRA VALLEY POWER SUPPLY COMPANY. LIMITED.
) THE TATA POWER COMPANY, LIMITED.

BOMBAY HOUSE, BRUCE STREET, FORT.

"Tel HYLECTRIC" - BENTLEY's Code- phone 36041.

BBAY 1,

June 23, 1951.

Ref No. Bh 142/ 51

The Secretary to the Government of Bombay
Public Works Department
Bombay.

Dear Sir,

We have to request a ruling as soon as possible from Government with reference to the application of the provisions of the Sixth Schedule to the Electricity(Supply) Act, 1948, relating to depreciation.

You will observe that whereas Clauses X and XI of the Sixth Schedule prescribe the procedure to be adopted in the event there is an arrears of depreciation representing a deficiency between the amount as set aside in the books of an undertaking and that calculated in accordance with the provisions of the Seventh Schedule, a situation where an undertaking may have over-provided depreciation is not dealt with. An excess of book depreciation over the new statutory requirements can be due to several factors including (a) depreciation may have been set aside in the past to write off 100 per cent of the cost of an asset instead of only 90 per cent as now prescribed in respect of all assets (B) when assets were sold in the past, the amount realised was credited to the depreciation reserve and (c) the assumption of shorter periods for some assets than those now prescribed. It is obvious that the legislature overlooked such a contingency because, otherwise, provision would have been made for it in in Clause XI of the Sixth Schedule It has therefore to be decided how such excess is to be entered into the books of an undertaking and whether such excess is to be taken into account in

in Clause XVII (1) (i) of the Sixth Schedule as a deduction in establishing the Capital Base.

We do not consider it is the intention of the Act that depreciation that may have been set aside in the past in excess of that required in accordance with the provisions of the Sixth and Seventh Schedules is to be deducted in establishing the Capital Base nor that it would be equitable to do so. We interpret the expression " the sums already written off or set aside in the books of the undertaking" that appears in Clauses VI and XVII(1)(i) of this Schedule to pertain to the amount of the depreciation reserve on the date from which the provisions regarding depreciation become applicable to an undertaking, which in the case of these undertakings is for our financial year ending 30th June 1951. It is not interpreted that a retrospective effect is intended in that expression. This is supported by the fact that, if a licensee were to discover a deficiency in its accrued depreciation preparatory to compliance with the Sixth Schedule, it would cancel this deficiency through making transfers from other reserves to the depreciation reserve so that on the formal compliance date its books will show that the " sums already written off.... ." etc corresponds exactly with the computed reserve in accordance with the seventh Schedule. It is not believed that such transfers could be disapproved and that Government would insist upon the application of Clauses X and XI in such circumstances.

I agree with the views expressed. C.E. & the Elce. Eng. to see.

Id/ 13/6/

We consider therefore that where the depreciation as set aside in the books of an undertaking exceeds the calculated depreciation as required under the Act the amount of the excess should be set aside in a separate or special depreciation reserve to be dealt with in a similar manner as is prescribed in Clause XI of the Sixth Schedule in the case of arrears and that such excess depreciation should not be taken into account under clause XVII (1) (i) in determining the Capital Base.

The favour of an early decision in these matters will be greatly appreciated.

Yours faithfully,
Tata Hydro-Electric Agencies Limited Agents,
Sd/-
Managing Director.

3

E.S.A. 1351.
~~S 9863.~~ 54863

K. B.

This may be refd. U/O. to the C.E., B.E.G. and the Elect. Engs. to Govt. with ref. to the Secy's order, dt. the 23-6- 51.

Id/ 25/6/ 51.

J.A.S.

Id/25/6/ 51.

Very Urgent.

U.O. to the C.E. B.E.G. & the El. Engs. to Govt. dt. 26th June 1951. -

7-9 4

Below P.W.D. U.O.R., No. ESA. 1351/ 54863, dated 26th June 1951.

Electric Grid Offices.

The Electricity (supply) Act, 1948, lays down that depreciation shall be provided so as to produce by the end of the prescribed period an amount equal to 90% of the original cost of the asset after taking into account the sums already written off or set aside in the books of the undertaking. Therefore, in the case where adequate depreciation is already provided before the Act Came into force, the balance provision may be made after taking into account " the sums already written off of set aside" so that the total depreciation at the end of the prescribed period is not more than 90%. Where adequate depreciation has not been provided before the Act came into force, provision has been made to write off the arrears of depreciation in certain manner as described in Clauses X and XI of the Sixth Schedule to the Act.

2. Tata's contentionis that they have provided to-date more depreciation than is actually necessary according to this Act and therefore, the excess of depreciation provided may not be taken into account in arriving at the capital base. There is no provision in the Act for adopting such a procedure. For arriving at the capital base, the amount to be deducted from the total capital expenditure on account of depreciation reserve should be, as specified in Clause XVII(1), under deductions (i) as under:-

"The amounts written off or set aside account of depreciation of fixed assets and amounts written off in reppect of intangible assets in the books of the undertaking before or after the commencement of this Act." It is, therefore, clear that if any depreciation has already been provided before the Act came in fore, the total amount already provided is to be taken into account in arriving at the capital base. It may also be noted that there is no

5

no provision made in the Act in this connection for relaxation in any manner by the Provincial Government or the Board.

Another point which may arise out of the question of exeess provision of depreciation is whether the excess provision for one particular asset can be set off against the arrears of another asset. According to clause VIII of sixth Schedule, when any asset has been written down to 10% or less of its original cost, no further depreciation shall be allowed in respect of that asset. In order words, excess provision of that asset cannot be set off against any arrears of other assets which will necessitate adequate annual provision for the remaining period of its life to make up the 90% of original cost at the end of the prescribed period.

~~T.J.Nu~~ Sd/-

18/7/ 51.

The Secy., to Govt. ,
P.W.D. & Bombay,
through the electrical
Engineer to Govt.,
P.W.D. Offices,
Bombay.

U.O.R. No. PLE - 1 (A)/ 20468.

18th July 1951.

+ 6

ESA 1351/ 62824

K. B.

P.W.D.

Submitted with reference to the O.N. dated the 25-6- 51.

2. The C.E. B.E.G. has not returned the paper through the Elect. Eng., The papers may therefore be ~~xxkxx~~ refd. U.O. to the Elect. Eng. as already proposee in the above O.N.

Id./ 24/ 7/ 51\

Id/
24/ 7/ 51.

Very Urgent

U.O. No. El. Engr. to Govt. dt. 26 July 1951.

+3 8

Below U.O.R. No. ESA. 1351/ 62824 dated the 26th July 1952., from Government in the Public Works Department.

No. R. M. 31. of 1951
5392

Bombay, 3rd August 1951.

Returned, with compliments.

2. The position is substantially as explained by the chief Engineer, Electric Grid, and Messrs. Tatas' proposal to deal with the excess amount provided for depreciation in the manner set sorth in the penultimate para. of their letter cannot be approved.

Sd/

Electrical Engineer to Govt.

23 10

ESA 1351/ 72508

K.B. P.W.D.

Submitted with reference to the Secy's orders on p. 1 ante.

2. Please see the C.E. B.E.G. note on pp 7-9 ante for reasons stated therein the C.E. B.E.G. does not agree with the the view expressed by Tatas in their letter on pp 1-3 ante. The Eldl. Engr. also agrees with the view taken by the C.E. B.E.G. It is therefore for consid-eration whether the view taken by the C.E. B.E.G. may be accepted or whether the R.L.A.may be requested U.O. to give his opinion in the matter before a reply is given to Tatas in the matter.

Id/ 24/ 8/ 51.

Id/ 28/ 8/ 51

DX. S.

Secy.

The legal portion may be explaned ~~its~~ to the Tatas . There seems no need ~~its~~ to refer. the papers to the ~~rest~~ RLA as the portion seems to be pretty ~~clue.~~ Clear

Id/ 29/ 8/ 51.

No. ESA 1351. K.

Public Works Department,
Bombay castle (Bombay No. 1),
14th September 1951.

From

The Deputy Secretary to the Government of Bombay,
Public Works Department.

To

Messrs. Tata Hydro Electric Agencies Limited.
Bombay House,
Bruse Street, Fort, Bombay No. 1.

Subject:- Depreciation

.....

Dear Sir,

I am directed to refer to your letter No. B.H. 142, dated the 23rd June 1951, on the above subject and to state that the Electricity(supply) act, 1948., lays down that depreciation for an asset shall be provided so as to produce by the end of the prescribed oeriod on amount equal to 90% of the Original cost of the asset after taking into account the sums already written off or set aside in the Books of the undertaking. In a case where adequate depreciation is already proveded before the Act came into force. the balance provision has to be made after taking into account " the sums already written off or set aside so that the total depreciation at the end of the prescribed period is not more than 90% . Where adequate depreciation has not been provided before the Act came into force, provision has been made to write off the arrears of depreciation in the manner as decribed in clausees X and XI of the si xth schedule to the Electricity (supply) Act, 1948.

2. For arriving at the capital base, the amount to be deducted from the total Capital Base on account of depreciation reserved should be as under, as specified in clause XVII (i) under deducation (1) of the Sixth schedule:-

"The amount written off or set aside on account of depreciation of fixed

fixed a cost and amounts written off in respect of intengible ascosts in the books of the undertaking before or after the commencement of this Act. "

It is therefore clear, that if any depreciation has laready been provide before the Act came in force, the total amount already provided is to be taken into account in arriving at the capital Base, irrespective of the fact whether the amount already provided as depreciation is short or in excess of the amount actually neces ary according to the provisions of the Electricity (Supply) Act, 1948. There is no Provision made in the Act in this connection for any relaxation by the State Government or the State Electricity Board.

In this connection I am to add that in accordance with the provisions of Clause VIII of the sixth Schedule to the Electricity (Supply) Act, 1948, when any asset has been written down to 10 % or less of its original cost, cost, no further depreciation shall be allowed in respect of that asset. Excess provision for depreciation in respect of that asset cannot therefore be set off against any arrears of other asset which will necessitate adequate annual provision for the remaining period of its life to make up the 90% of original cost at the end of the prescrbed period.

3. In those circumstances your proposal that where the dep eciation es et aside in the books of an undertaking excess the colculated depreciation as required under the Act, the amount of the access should be kept in " separate or special depreciation reserve to be dealt with in a similar manner as is prescribed in clause XI of the XI of the Sixth Scheduls in the case of appeara and that such excess depreciation should not be taken into account under Clause XVIII (i) of the Sixth Schedule to the Electricity (Supply) Act, 1948, in determining the Capital Base, Base, cannot, it is regartted , be accepted by Government

Yours faithfully,

29 14

Yours faithfully,

Sd/- 15/9/ 51.

Deputy Secretary to the Government of

Bombay, Public Works
Department

D.A. Nil

Copy, with copy of the letter, replied to, forwarded for information to -

The Chief Engineer, Bombay Electric Grid (with reference to his No. PLE - 1 (A) / 20456, dated the 18th July 1951.

The Electrical Engineer to Government (with reference to his No. LRN 31/ 5392, dated the 3rd August 1951.,

the Accountant General, Bombay.

35-37/6

TATA HYDRO- ELECTRIC AGENCIES LTD.

THE TATA HYDRO- ELECTRIC POWER SUPPLY COMPANY. LIMITED.
THE ANDHRA VALLEY POWER SUPPLY COMPANY. LIMITED
THE TATA POWER COMPANY. LIMITED.
BOMBAY HOUSE. BRUSE STREET. FORT.
Tel. " HYLECTRIC" - BENTLEY'S code - Phone 2604
BOMBAY 1

Ref No. EH 226/51.

September 26, 1951.

URGENT

The Secretary to the Government
Public Works Department
Bombay.

Dear Sir,

Method of Calculation of the Depreciation of Assets

We refer to the correspondence on this subject ending with your letter No. ESA 1351 K dated 14th September 1951 concerning the method of depreciation accounting.

Clause VI of the Sixth Schedule to the Electricity (supply) act, 1948, prescribes the compound interest method of depreciation accounting as the standard method to be followed by licensees under the provisions of this Act, but it is specified that existing licensees may elect within there months from the date the Act comes into operation to adopt the Straight Line method in lieu of the Compound Interest method above prescribed. In response to your Circular No. 6730/ 36 (1) (VII) El . dated 25th November 1948 requesting us to advise you in this connection by or before 10th December 1948, we replied that the Companies will elect to adopt the St aight line method. It was obviously quite impossible at that time and in the brief period allowed to determine which method of depreciation accounting would be advantageous and, consequently, in order to keep this option open pending the completion of the detailed studies then in progress

progress, we replied that the Companies will elect to adopt the Straight Line method. We might mention that our preliminary examination, which indicated that it might be desirable to keep open the option to adopt the Straight Line method, related to the Tata Power Company. We had not had time to consider the positions of Hydro and Andhra. Therefore, if Government is not prepared to alter position taken, we would at least ask that Hydro and Andhra be permitted to adopt the Compound Interest method and Tata Power will stick by the original letter. In actual practice, however, we have not provided depreciation in terms of the Act. In fact, pending the disposal of our application for the variation of the prescribed periods in respect of certain assets, Government have been good engugh to maintain the status quo ante in respect of depreciation , reserves, profits, etc. with the result that the only provision made in our accounts for depreciation has been a lump sum allocation on the same basis as in previous years. The decision of Government on this application was communicated to us only on 10th February 1951 and consequently the application of the provisions of the Act with regard to depreciation will apply to the Companies for the first time commancing with their current financial year ending 30th June 1951.

Further more, the actual application of the depreciation provisions in the financial principles set out in schedule Six to the Electricity (Supply) Act, 1948, raised a number of points of interpretation and it is only with your letter of 14th September 1951 referred to above that you ruled against the Companies' views as regards the amount to be taken into consideration for past depreciation in calculating the Capital Base. Our own assuption was that the figures set aside by the Company in the past for depreciation were not decisive and naturally, in stating our preference for the Straight Line method, we did so in the belief that our...

our interpretation was correct. As Government has not accepted this interpretation, obviously the former expression of our preference for the Straight Line method should not be held against us. The proviso to Clause VI of the Financial Principles could only apply in respect of an election made for the Companies' accounts for the year ended 30th June 1951 and not previously.

In these circumstances, it will be observed that there hasbeen no effective election on our part to adopt the optional Straight Line method nor has either of the methods of depreciation prescribed under the Act been yet actually adopted. In any event, it will be appreciated that no question of election did really arise until we had an apportunity of examining the provisions concerning depreciation in connection with our undertaking and after obtaining Government's fuling on the interpretation of the above ~~xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx~~ provisions in the Financial Principles bearing on the question of depreciation.

We trust, therefore, that Government well, on reconsideration, allow us to adopt the standard Compound Interest method of depreciation prescribed by the Act.

Yours Faithfully,

Tata Hydor-Electic Agencies Limited, Agents,

Sd/-
Managing Director.

P.T.O.

19

ESA 135/82752

P.W.D.

K.Br.

Acknowledged.

Id/ 28/ 9/ 51. Id/ 29/9/ 51.

Issued
Id
1/10/51

Supdt

ESA 1351/ 82752.

K.Br.

Submitted.

2/- The proviso to clause VI (i) of the Sixth Schedule to the Ely. (Supply) Act, 1948, gives a licensee the option to elect within three months from the date the above Act came into operation, to adopt the straight line method in lieu of the compound interest method of depreciation. All licensees were accordingly asked to communicate this option by the 10-12-48, vide, G.L. No. 6730/36(i) - VII - E/, dated the 25-11-48. M/S Tatas intimated to Govt. in their letters dated the 27-11-48, that they will adopt the straight line method of depreciation. In August 1950 M/S Tatas approached Govt. with a request that they may be allowed to revise their decision & adopt the ~~Standard~~ Standard Compound interest method mentioned in clasue VI of the Sixth Schedule. The request was considered full in consultation with the Elect. Engr. and was turned down, Vide G.L. No. 6730/ 36 (i) - VII- E (I), dated the 29-9- 50. & the proceedings underlying it .

3 / — For reasons stated in thier letter within M/S Tatas request that Govt. decision in the matter may be reconsidered and they may be allowed to adopt compound interest method of depreciation at least in respect of their follwing two concerns:-

1) The Tatas Hydro. E/ Power Supply Co., Ltd.

2) The Andhra valley Power Supply Co., Ltd

As the question has already been considered fully last year it does not seem necy. to reconsider it again. M/S Tatas may perhaps be informed that their request cannot be granted

Id/
18/ 10/ 57

Tata have adopted the staright line

line method for all the three companies without any reservation (see p. 5,7, 9, of file ESA 1351/ 6730/36 VIII) in 1948 and they cannot now change the option once exercised.

Id/ 18/10/

Id/ 19/ 1/ 51.

Id/ 1/11/ 51.

D.S. (D & E

SECY.

H.M.

P.W.D.

K. Br.

Resubmitted as directed by the D.S. (D& E) with the necy. D.O. for approval.

Id/ 7/11/ 51.

D.S.

ESA 135/ 82752

D.O. NO. ESA 1351 K.

P . W. D. Sectt.,
Bombay.1, 10th Novr. '51.

Dear

Please refer to your letter No. BH 226/ 51, dt. the 26- 9- 51, re: method of calculation of depreciation of assets in respect of he three undertakings of M/S Tatas. Clause VI(1) of the Sixth Schedule to the Ely. (Supply) Act, 1948, prescribes the compound interest method of depreciation accounting as he standard method to be followed by the lecensees under the provisions of this Act. It is also specified in the proviso to clauseVI (1) of the Sixth Schedule that the existing licensees may elect, within three menths from the date of the enforcement (viz. 10/9/ 48) of the Act, to adopt the straight line method inlieu of the prescribed compound interest method of depreciation accounting. All the licensees were accordingly requested in G.L. No. 6730/36(1) 36(1) - VII - El , dt. the 25-11- 48, to communicate their option before the 10- 12-48. In your letters Nos. AH 750/48, AH 354/48 & 812/48, all dated 27-11- 48, it was stated that the Tata Hydro - El. Power supply Coy., ltd., the Andhra Valley power Supply Coy, Ltd. & the Tata Power Coy., Ltd., will adopt the straight line method of depreciation accounting Thereafter in your letter No. BH 141/50,dt. the 10-8- 50, you informed Govt. that you proposed not to exercise the option given by the proviso to clause VI(1) of the Sixth Schedule of electing to adopt the alternative straight line method of depreciation.

The proviso to clauses VI (1) of the Sixth Schedule to the Ely. (Supply) Act, 1948, is intended to avoid inconvenience and expense to those licensees who were already using the straight line method prior to the enactment. As you adopted the straightline method for all the three companies without any reservation your request to reverse your previous decision and adopt the standard compound interest method of depreciation was considered to be nor possible under

under the Act and was informed Vide, G.L. No. 6730/ 36 (I), VIII A
(1) dated the 29- 9- 50. Since the question has already been considered fully and the law does not permit change, it seems that decision communicated to you in the above G.L. cannot be altered.

Id/
(G.V. Bedekar)

W.S. Nelson, Esq.
Managing Director,
Tata Hydro- Electric Agencies Ltd.,
Bombay.

~~57~~ 24

D.O. No. E AS 1351 K. Public Works Department
Secretariat,
Bombay No. 1 10th November 1951

Please refer to your letter No. BH 226/ 51, dated the 26th September 1951, regarding method of calculation of depreciation of assets in respect of the three undertakings of messrs. Tatas. Clause VI(1) of the Sixth Schedule to the Electricity(Supply) Act, 1948, prescribes the compound interest method of depreciation accounting as the standard method to be followed by the licensees under the provisions of this Act. It is also specified in the proviso to Clause VI(1) of the Sixth Schedule that the existing licensees may elect within three months from the date ~~thereof~~ of the encorcement (viz., 10th September 1948) of the Act, to adopt the Straight line method in lieu of the prescribed compound interest ~~of~~ method of depreciation accounting. All the licensees were accordingly requested in Government leteer No. 6730/36(1) - VII- El, dated the 25th November 1948, to communicate their option before the 10th December 1948. In your letters Nos. AH 750/48 , AA 354/48 and AP 812/48, all dated 27th November 1948, it was stated that the Tata Hydro - Electric Power Supply Company, limited, the Andhra-valley Power Supply Company, Limited and the Tata Power Company, Limited will adopt the straight line method of depreciation accounting . Thereafter, in your letter No. BH 141/50, dated the 10th August 1950, you informed Government that you proposed not to exercise the option given by the proviso to Clause VI (1) of the Sixth Schdule of electing to adopt the alternative straight line method of depreciation

The proviso to clauses VI(1) of the Sixth Schdule to the Electricity (Supply) Act, 1948, is intended to avoid inconvenience and expense to those licensees who were already using the straight line method prior to the enactment. As you adopted the straight line method for all the three companies, without any reservation, your request to reverse

reverse your previous decision and adopt the standard compound interest method of depreciation was considered to be not permissible under the Act and was negatived vide Government letter No. 6730/36(I) - VIII-E1 dated the 29th September 1950. Since the question has already been considered fully and the law does not permit change, it seems that the decision communicated to you in the above Government letter cannot be altered.

(G.V. Bedekar)

W.S. Nelson Esquire,
Managing Director,
Tata Hydro- Electric Agencies, Limited,
Bombay.

57 28

(ALL CORRESPONDENCE TO BE ADCRESSED TO THE SECRETARY)

The Association of Electrical Undertakings,

Bombay Province

REGISTERED OFFICE
KILLICK BUILDING
HOME STREET.

TELEPHONE NO.30901.

Bombay 4th October 1951.

Which are non?

Ref No. AEU/5/ 827/51

URGENT

The Secretary to the Government
of Bombay,
Public Works Department,
Bombay.

Dear Sir,

Depreciation - Variation in the
Prescribed period of assests.

Which are these?

Certain Merged states Licensees, who are Members of the Association, have made applications to Government under sub-clause (8) of clause XVII of the Sixth Schedule to the Electricity (Supply) Act seeking variation in the prescribed period of their assets.

It is possible that it will take some time for Government to pass orders on these applications, and, in the meantime, Licensees are faced with the problem of finalising Accounts for being adopted at Annual General Meetings.

The Association would, therefore, request that pending orders being passed by Government on these applications, the Licensees be permitted to maintain status quo ante in respect of depreciation, dividents, Reserves, etc., for 1 more year, as was done in he case of Licensees in the former Bombay Province.

Yours faithfully,

Sd/-

Secretary

Td
5-10

EAS 1351
86403

P.W.D.

K. Br.

Resubmitted with reference to the Secy's query.

2. So far the following electrical supply undertakings operating in merged areas have applied to Govt. for varation in the perscribed period of assets:-

(1) The Amreli Ely.Co. Ltd.,

(2) The Cambay Electric Supply and Industrial Co., Ltd.

(3) The Mehsana El.Supply Co., Ltd.,

(4) The Sidhpur El. Supply Co, Ltd.,

(5) The Patch El. Supply Co., Ltd.,

3. Order permitting variation in the prescribed period o assets have laready issued in respect of Items Nos., 1,2 and 3- vide G. L's Nos. 2122/ 48 (36) - El. (I) dated the 6-10-50. 2122/48(29) (I), dated the 1-12- 1950 and 2122/48(40) El. (I) dated the 19-1- 1951. respectively.

4. In respect of Items Nos. 4 and 5, the cases are being submitted separately and orders in the matter will issue shortly.

5. After orders in respect of Items 4 and 5 have issued the Assoon.of Elect. Undertakings may perhaps be informed that n application thro any merged state licensee for variation in the prescribed period of assets is pending with Govt., ~~xxxxxxxxxxxxxxxxxxxxxxxxxx~~ Permitting the and therefore the question of licences to ~~maintain status~~ quo ante does not arise.

Td/ 27/10/51.

Id/ 27/10/51.

Please resubmit on 5/11, stating of orders on O.N. have been passed U.O.R. Meanwhile accompaniment the letter at p. 1.

Jd / 29/10

K. Br. P.W.D.

Submitted with ref. Secy's Orders dated the 29/10/'5

2) Orders in respect of item No. 5 are under issue and t

and the case of item No 4 is under-
submission to H.M. After the orders on item
4 are issued, a draft reply to the Asson. on the
lines ~~praised~~ proposed in the O.N. dt. 27/10/51. will be put up.

Id/7/11/

Id/ 8/11/51. D.S.(IRE)

Id/6/ 11/ 51. Secy.

30

K. Br. E.S.A. 1351.

86403

P.W.D.

No. ESA 1351 K.

B.C. (Bombay.No. 1 28th Nov. '51.

To

The Secretaty,

The association of electrical undertakings, Bombay Province, Killick Bldg, Home streets, Fort, Bombay.

Subject:- Depreciation- Variation in the prescribed period of assets.

Dear Sir,

I am directed to refer. to your letter, No. AEU 5/ 827. 51 dated the 4th Oct. 1951. on the above subject and to state that the application from any merged state licensee for variation in the prescribed period of as ets is pending with Govt. and therefore, the question of permitting the licensees to maintain status quo-ante does not arise

Yours faithfully,

S.D.O. to Govy.

D.A.Nil.

Compd. by M.T. Joshi 13.9.56

M Champaneri
13/7/56